

**SUBMISSION TO THE 2025 GENERAL MEETING OF
SHAREHOLDERS**

On Capital Increase and Private Share Issuance Plan

Basis:

- Enterprise Law No. 59/2020/QH14 dated June 17, 2020.
- Securities Law No. 54/2019/QH14 dated November 26, 2019.
- Resolution No. 34 CT/NĐ-HĐQT dated June 24, 2016, of the Board of Directors of Song Da 7.02 Hydroelectric Joint Stock Company on the approval of the investment policy for the Nam Thi 1 Hydropower Project.
- Regulations of the Ministry of Industry and Trade on ensuring the equity capital of investors in project investment and construction and the registration for investment certificates.
- Adjusted total investment capital of the Nam Thi 1 Hydropower Project.
- Charter of Song Da 7.02 Hydroelectric Joint Stock Company.

Song Da 7.02 Joint Stock Company reports on the current status of the Company's equity capital and the total capital required to continue the investment and construction of the Nam Thi 1 Hydropower Project as follows:

A. NECESSITY OF INCREASING CHARTER CAPITAL

I. Current Status of the Company's Equity Capital:

As of December 31, 2024, Song Da 7.02 Joint Stock Company has the following equity capital structure and changes that have reduced equity capital:

Unit: 1,000 VND

No.	Details	Value	Note
1	Equity Capital as of December 31, 2024	119,690,853	
	- Charter capital	120,000,000	
	- Development investment fund	1,006,373	
	- Financial reserve fund	642,712	
	- Undistributed profit	(1,828,231)	
2	Equity Capital Utilized:	114,798,000	
	- Long-term financial investments	1,598,000	
	- Investment in the construction of the Nam Thi 2 Project	113,200,000	
3	Remaining Equity Capital (1 - 2)	4,892,853	

As of now, the Company's equity capital is 119.6 billion VND, of which: Investment in the Nam Thi 2 Project: 113.2 billion VND; Financial investments: 1.6 billion VND; Remaining capital: 4.8 billion VND

II. Total Investment for Nam Thi 1:

The Nam Thi 1 Hydropower Project is under construction, with an investment value of approximately 23 billion VND. The project has been temporarily suspended since 2018 due to a portion of forest land (6.9 hectares) requiring environmental impact assessment in accordance with Directive 13 of the Party Central Committee Secretariat. Starting in 2024, with the enactment of the new Land Law and its implementing guidelines, the Company has resumed procedures to request the conversion of forest land use purposes with Lai Chau Province and proposed the inclusion of the project in the adjusted Power Plan VIII of the Prime Minister.

In 2018, the Company revised the design, requested adjustments to the planning, and re-established the total investment budget.

Total investment for the Nam Thi 1 Hydropower Project:

Unit: 1,000 VND

No.	Details	Value	Note
1	Total Investment	365.242.216	
	- Total Pre-Tax Investment Costs	314.103.770	
	- Interest During the Investment Period	20.777.964	
	- Value-Added Tax	30.360.482	
2	Total Capital Required for Investment:	334.881.734	
	- Investor's Equity Capital (30%)	100.464.520	
	- Expected Bank Loan (70%)	234.417.214	

Expected equity capital (30%) for the Nam Thi 1 Project: 100 billion VND

Current equity capital available: 4.8 billion VND

Additional equity capital required: Approximately 100 billion VND

The required charter capital increase may need to be adjusted based on changes to the total project investment amount in accordance with state regulations at each specific time. It also depends on the timing of the decision by the Lai Chau Provincial People's Committee to convert forest land use purposes and the inclusion of the project in the adjusted Power Plan VIII of the Prime Minister in 2025.

III. Estimated Plan and Timeline for Capital Increase:

To ensure sufficient capital for the construction of the Nam Thi 1 Project, the Company needs to raise an additional 100 billion VND (One hundred billion VND) in equity capital.

Currently, the Nam Thi 1 Project is temporarily suspended to request the conversion of forest land use purposes with Lai Chau Province and propose its inclusion in the adjusted Power Plan VIII of the Prime Minister. In 2025, depending on the actual progress, the project can resume once the decision on forest land use conversion is approved and the project is included in the adjusted Power Plan VIII. The Board of Directors proposes that the General Meeting authorize the Board to decide on the capital increase, determine the timing of the increase, and set the total amount of capital to be raised, in compliance with state regulations and bank requirements, to continue the investment in the Nam Thi 1 Project.

Estimated timeline for capital increase: From Q2/2025.

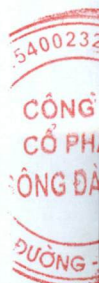
B. CAPITAL INCREASE AND PRIVATE SHARE ISSUANCE PLAN

Based on the actual conditions of Song Da 7.02 Joint Stock Company and state regulations on the securities market, the Company has chosen to increase capital through a private share issuance.

1. Stock name: Song Da Joint Stock Company shares 7.02

2. Type of Shares: Common shares

3. Stock code: S72



4. Par Value of Shares: 10,000 VND per share

5. Number of shares issued: 12,000,000 shares

In there:

- Number of shares outstanding: 12,000,000 shares
- Treasury shares: 0 shares

6. Number of Shares to be Issued: 10,000,000 (Ten million) shares

7. Total expected offering value calculated at par value: 100,000,000,000 VND (One hundred billion VND)

8. Offering price: 10,000 VND/share

9. Principle of determining offering price: Offering price equals par Value

10. Total expected amount of money raised: 100,000,000,000 VND (One hundred billion VND)

11. Purpose of offering: Mobilizing capital to serve the implementation of Nam Thi 1 Project.

12. Offering objects:

- Criteria for selecting investors: Domestic investors are identified as strategic investors according to the provisions of Clause 17, Article 4 of the Securities Law No. 54/2019/QH14 dated November 26, 2019, specifically:

- Have sufficient financial capacity to ensure full payment obligations as prescribed;
- Have professional qualifications or business activities related to the Company's field of operation;
- Commit to cooperate with the Company for at least 3 years.

- Number of investors: Less than 100 strategic investors

13. Plan to ensure maximum foreign ownership ratio: In order to ensure compliance with regulations on foreign investor ownership ratio, all offered shares will be distributed to domestic investors.

14. Transfer restrictions: The number of shares offered for private sale will be subject to transfer restrictions within 03 years from the date of completion of the offering, except in cases where it is implemented in accordance with a legally effective court judgment or decision, an arbitration decision, or inheritance in accordance with the provisions of law.

15. Plan for handling undistributed shares: The undistributed shares are expected to be authorized by the General Meeting of Shareholders to the Board of Directors to decide to reduce the total number of shares offered according to the actual number of shares distributed.

16. Expected time of offering: In 2025, after the State Securities Commission has given written approval and posted on the State Securities Commission's website about receiving the complete registration dossier for the Company's private share offering.

17. Commitment to put securities into trading on the stock market: After completing the offering, the General Meeting of Shareholders approves and authorizes the Board of Directors to carry out procedures to register additional securities with the Vietnam Securities Depository and Clearing Corporation and register additional securities trading with the Hanoi Stock Exchange.

18. Amendment of the Charter: Approval of the amendment of the charter capital item in the Charter of organization and operation of the Company on the new charter capital corresponding to the actual charter capital after the end of the private share offering. The General Meeting of Shareholders assigns the Board of Directors to amend and issue the new Charter as above based on the actual situation.

C. CAPITAL USE PLAN

I. Plan for using capital raised from the stock offering

The entire proceeds from the stock offering, expected to be VND 100,000,000,000, will be used to invest in the construction of the Nam Thi 1 hydropower project.

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The General Meeting of Shareholders authorizes the Board of Directors to develop a detailed capital utilization plan. At the same time, the General Meeting of Shareholders authorizes the Board of Directors to adjust the detailed capital utilization plan from the offering in accordance with the Company's investment situation in the construction of the Nam Thi 1 hydropower project, carry out procedures related to Information Disclosure in accordance with regulations and report to the General Meeting of Shareholders at the nearest meeting.

II. Plan to compensate for the shortfall in capital expected to be raised from the offering to implement the project

In case the shares are not fully distributed as planned and the amount of capital mobilized is not as expected, the Board of Directors will select and adjust the capital usage plan to ensure the principle of not affecting the project progress and consider the plan to mobilize additional capital from other valid sources in accordance with the Company's conditions.

D. AUTHORITY

After the General Meeting of Shareholders votes to approve the private share offering plan and the plan to use the capital raised from the offering, the General Meeting of Shareholders authorizes the Board of Directors to:

- Carry out the procedures for registering the offering according to the approved plan, including supplementing, editing, completing or changing the plan as required by the State management agency to carry out the Company's capital mobilization in accordance with regulations;
- Select investors, choose appropriate offering time and handle unpurchased shares (if any) to ensure the highest benefits for shareholders and the Company;
- Carry out procedures to change the Business Registration Certificate with the Department of Planning and Investment of Lai Chau province after completing the stock offering;
- Carry out necessary procedures to adjust securities registration at Vietnam Securities Depository and Clearing Corporation (VSDC) and register additional transactions on Hanoi Stock Exchange (HNX), for the entire number of shares offered for sale;
- Other related jobs

Above is the content of the Proposal on capital increase and private offering plan of Song Da Joint Stock Company 7.02. Respectfully submit to the General Meeting of Shareholders for consideration and approval.

Sincerely,

CC:

- As above
- Archived

**ON BEHALF OF BOARD OF DIRECTORS
CHAIRMAN**



Nguyen Huu Nhuan